

# FISCAL NOTE

**Bill #:** SB0496                      **Title:** Enhance statewide driver education programs for novices and seniors

**Primary Sponsor:** Cooney, M                      **Status:** Second Reading

Sponsor signature	Date	David Ewer, Budget Director	Date
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## Fiscal Summary

	<b><u>FY 2006 Difference</u></b>	<b><u>FY 2007 Difference</u></b>
<b>Expenditures:</b>		
General Fund	\$1,960	\$0
<b>Revenue:</b>		
General Fund	\$0	\$0
State Special Revenue	\$840,000	\$1,120,000
<b>Net Impact on General Fund Balance:</b>	(\$1,960)	\$0

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|---|---|
| <input type="checkbox"/> Significant Local Gov. Impact<br><input type="checkbox"/> Included in the Executive Budget<br><input type="checkbox"/> Dedicated Revenue Form Attached | <input checked="" type="checkbox"/> Technical Concerns<br><input checked="" type="checkbox"/> Significant Long-Term Impacts<br><input checked="" type="checkbox"/> Needs to be included in HB 2 |
|---|---|

## Fiscal Analysis

### ASSUMPTIONS:

1. This bill would add a \$6.00 driver safety education fee to each driver's license, including commercial driver's licenses; increase the fees for a duplicate driver license from \$10.00 to \$20.00; and increase the fee for an identification card from \$8.00 to \$14.00. This bill would create a new state senior traffic education account. The revenue from the fee increases would be allocated to the state traffic education account and the new state senior traffic education account. Because the bill does not have a specific effective date, the fee increases would be effective October 1, 2005.
2. An average of 120,000 driver licenses, including commercial driver licenses, are issued each year. The additional \$6 fee on driver's licenses would be distributed \$4.80 to the state traffic education account provided in 20-7-504, MCA, and \$1.20 to the state senior traffic education account provided in section one of this bill.
3. The increase in driver's license fees would increase revenue to the state traffic education special revenue account by \$432,000 in FY 2006 (.75 x \$4.80 x 120,000) and \$576,000 in FY 2007 (\$4.80 x 120,000).
4. The increase in driver's license fees would provide revenue to the state senior traffic education account of \$108,000 in FY 2006 (.75 x \$1.20 x 120,000) and \$144,000 in FY 2007 (\$1.20 x 120,000).

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5. An average of 31,000 duplicate driver licenses are issued each year. This bill would increase the fee for a duplicate driver license from \$10 to \$20. Distribution of existing duplicate driver license fees would remain the same.
6. The \$10 increase in the duplicate driver license fee would be distributed \$8 to the state traffic education account provided in 20-7-504, MCA, and \$2 to the state senior traffic education account. This bill would increase revenue for duplicate license fees \$310,000 a year.
7. The increase in duplicate license fees would increase revenue to the state traffic education special revenue account by \$186,000 in FY 2006 (.75 x \$8.00 x 31,000) and \$248,000 in FY 2007 (\$8.00 x 31,000).
8. The increase in duplicate license fees would provide revenue to the state senior traffic education account by \$46,500 of FY 2006 (.75 x \$2.00 x 31,000) and \$62,000 in FY 2007 (\$2.00 x 31,000).
9. An average of 15,000 identification cards are issued each year. This bill would increase the fee from \$8 to \$14. Under current law, 100 percent of the \$8 fee is deposited in the general fund. This bill would allocate \$8 for each card to the general fund, \$4.80 to the traffic education account and \$1.20 to the new senior traffic education account. General fund revenue from identification cards would be the same as under current law.
10. The increase in identification card fees would increase revenue to the traffic education special revenue account by \$54,000 in FY 2006 (.75 x \$4.80 x 15,000) and \$72,000 in FY 2007 (\$4.80 x 15,000).
11. The increase in identification card fees would provide revenue to the state senior traffic education account of \$13,500 in FY 2006 (.75 x \$1.20 x 15,000) and \$18,000 in FY 2007 (\$1.20 x 15,000).
12. The total increase in revenue to the traffic education account would be \$672,000 in FY 2006 (\$432,000 + \$186,000 + \$54,000) and \$896,000 in FY 2007 (\$576,000 + \$248,000 + \$72,000). Revenue to the new senior traffic education account would be \$108,000 in FY 2006 (\$108,000 + \$46,500 + \$13,500) and \$224,000 in FY 2007 (\$144,000 + 62,000 + 18,000).
13. One time start up operating costs for the Department of Justice would include: \$1,960 for computer programming, requirements analysis and design, testing and implementation (an estimated 16 hours) and computer time usage (equivalent to an estimate 2 days).

### FISCAL IMPACT:

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
<u>Expenditures:</u>		
Operating Expenses	\$1,960	\$0
<u>Funding of Expenditures:</u>		
General Fund (01)	\$1,960	\$0
<u>Revenues:</u>		
State Special Revenue (02)		
State Traffic Education Acct	\$672,000	\$896,000
State Senior Traffic Education Acct	\$168,000	\$224,000
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
State Special Revenue (02)		
State Traffic Education Acct	\$672,000	\$896,000
State Senior Traffic Education Acct	\$168,000	\$224,000

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### LONG-RANGE IMPACTS:

This bill sunsets October 1, 2007. It will apply for one quarter of FY 2008. Additional revenue to the state traffic education account will be \$224,000 in FY 2008 ( $.25 \times \$896,000$ ). Revenue to the state senior traffic education account will be \$56,000 in FY 2008 ( $.25 \times \$224,000$ ). This bill would provide no additional revenue after FY 2008.

### TECHNICAL NOTES:

1. HB 102 also changes the distribution of driver's license fees. The two bills need coordination language.